

Telecommunications Carriers

What type of carriers must contribute to the State USF?

- All telecommunications providers that provide intrastate retail telecommunications service contribute to the Indiana USF. Examples include, but are not limited to, any carrier that provides retail local exchange service, wireless service, operator service or alternative operator service. Even paging companies...
- Payphone service providers (PSPs) are not considered telecommunications carriers and are not required to contribute, however LECs that sell access lines to PSPs, or providers of operator services (AOS) to payphones do contribute.

Who administers the IUSF?

- A neutral third-party administrator experienced in USF administration was recommended by an Oversight Committee and selected by the IURC on an interim basis to get the fund operational before a permanent administrator can take over.
- The Oversight Committee's membership consists of each type of telecommunications carrier (Large ILEC, small Rural ILEC, CLEC, IXC, Wireless Carrier and the Office of Utility Consumer Counsel).
- An RFP will be released in August 2007 to select a neutral third-party administrator on a long-term basis.

How is each carrier's contribution obligations determined?

- Carriers can get guidance on specific services subject to the surcharge and implementation requirements of the surcharge in the Commission's July 25, 2007 Docket Entry under Cause No. 42144.
- The current surcharge is 0.54 percent of net intrastate retail telecommunications services. The assessment rate may change on a periodic basis.
- Each telecommunications carrier must report monthly the amount it billed for intrastate retail telecommunications service, the amount of previously unreported monthly intrastate retail telecommunications service uncollectibles and the resulting assessment to the IUSF administrator on a form to be determined by the administrator. The first monthly report and remittance of the assessment is anticipated to be due to the IUSF administrator by December 1, 2007.
- The initial remittance is due November 30, 2007 and will be due at the end of each calendar month thereafter, following the close of the prior month's surcharge

billing cycle by all carriers to the IUSF administrator of the their respective IUSF contributions.

Is my company required to notify my customers prior to including the surcharge on their bill?

- Yes. The IURC requires telecommunications carriers to provide notification or a billing message 30 days prior to the surcharge being assessed on the customer's bill.
- In order to avoid customer confusion and to promote a consistent message for all Indiana consumers, the IURC requires that the surcharge be labeled IN Universal Svc Surcharge and has given carriers an option of two notification billing messages that can be utilized for this purpose.

Is my company eligible to receive State USF?

A telecommunications carrier that receives IUSF support must:

- be certified in Indiana by the Indiana Utility Regulatory Commission and have approval from the Secretary of State's Office to do business in the state;
- be a designated as an ETC and meet all requirements set forth by the Indiana Commission;
- demonstrate need by meeting a qualifications test required in the March 17, 2004 Final Order and Settlement Agreement in Cause No. 42144;
- serve in a rural service territory.